

SENATOR LAMB: The Chair recognizes Senator Barrett.

SPEAKER BARRETT: Thank you, Mr. President and members. LB 60 is a bill which was called to my attention, actually, initially by a constituent who had some legal problems and it was brought to the attention of the Department of Banking and the department was unable to pursue the complaint or even assist the individual because of some ambiguities in the current statute. In working with the Department of Banking this summer, they realized that perhaps an amendment to the statute would be necessary. The bill itself is simply clarifying some ambiguities. It is a very technical bill. It clarifies some problems in the Nebraska Securities Act. The purpose of the bill is to eliminate those ambiguities in some of the exemptions to registration in the Securities Act. It was heard by the Banking Department and advanced unanimously. In general, let me suggest to you that the overall rule in securities is that securities and sales people must be registered unless there is an exemption or an exception. And in working with the Department of Banking we've identified two ambiguities in certain exemptions. The questionable sections are in the areas of registration of an agent, of a registered broker or dealer and also in the definition of an investment adviser. In the first place, the registration of agents of registered brokers or dealers, the bill itself clarifies that our Securities Act requires agents to be registered when they conduct sales activities under circumstances in which their affiliated broker-dealer needs to be registered. In other words, if the broker dealer is registered, the sales person needs to be registered as well. And the second change we're making is in the definition of investment adviser. The intent of the change is to clarify the definition of who is and who is not an investment adviser and, therefore, who is and who is not subject to registration. The effect of this amendment is to clarify that an out of state adviser must register if he or she is conducting or contacting more than five noninstitutional buyers in a year. Again, the bill is technical. It has the wholehearted support of the Department of Banking. As a matter of fact, the department drafted the bill. I would urge the body to advance the bill to E & R. Thank you.

SENATOR LAMB: No other speakers have indicated that they desire to be recognized. Do you wish to close, Senator Barrett?